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HARMONIZED SYSTEM REVIEW SUB-COMMITTEE

NR0308E1 (+ Annex)

26th Session

O. Eng.

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COMPREHENSIVE REVIEW OF THE EXPLANATORY NOTES

POSSIBLE AMENDMENT OF THE EXPLANATORY NOTES TO CHAPTER 87

(Item III.C.17 on Agenda)

Reference documents:

NR0150E1 (RSC/23) NR0165E2, Annex B/2 (HSC/23 – Report)

I. BACKGROUND

- 1. At its 23rd Session (March 2001), the Review Sub-Committee discussed the issue of the general review of the Explanatory Notes, taking into account the points raised by the Secretariat in Doc. NR150E1, in particular the scope of the updating of the existing Explanatory Notes, by:
 - Deleting references to obsolete products and technology,
 - Substituting references to current products and technology,
 - Restructuring the Notes to make them easier to understand, and
 - Supplementing the Notes to make them more complete.
- 2. In accordance with these discussions, amendments to the Explanatory Notes to Chapter 87 have been prepared as a joint proposal from the Secretariat and an officer of the Canadian Administration.
- 3. The Secretariat would like to thank the Canadian Administration for its contribution to this study.

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II. SECRETARIAT COMMENTS

- 4. The proposed amendments to be potentially made to the Explanatory Notes are set out in the Annex hereto. In this context, the Secretariat would like to clarify that, in a few cases, only those parts of the Explanatory Notes which are affected by the proposed amendments have been reproduced. Proposed deletions have been indicated by "strikethrough" texts, whereas new texts (additions or replacements) have been indicated by "underlining".
- 5. Explanatory comments are set out in the following paragraphs. The Secretariat's comments are given in "bold" texts.
- 6. It should be noted that the proposals made in the Annex hereto are the starting points for the present session. Once these proposals are approved by the Sub-Committee, relevant consequential amendments to the Explanatory Notes to other headings and Chapters should also be studied and, where necessary, be drafted by the Secretariat for examination at the next session.

Heading 87.01

- 7. The term "coachwork" in the automotive industry is synonymous with the term "body". However, the term coachwork is currently used in the context of customised bodywork on limousines, large automobiles and cars. Therefore, it may be more practical to use the term body. It will also bring the English text into alignment with the French text.
- 8. In connection with this Canadian proposal, the Secretariat would like to point out that the term "coachwork" is already used in the present legal texts (e.g., subheading 3405.30, subheading 3926.30, heading 83.02, Note 2 (e) to Chapter 86). Therefore, the Secretariat alternatively proposes, instead of deletion of the term "coachwork", insertion of the term "(a body)" thereafter. Consequently, both proposals have been placed in square brackets for decision by the Sub-Committee.
- 9. "Mechanical horses" were a type of three and four-wheeled tractor that was designed to haul trailers at railway stations and similar locations. They were primarily used in the United Kingdom. Some models resembled a small road tractor. Due to changes in transportation technology, the production of "mechanical horses" ended in the 1960's. Most existing "mechanical horses" are now found in museums. Accordingly, this reference is obsolete. A more contemporary example of a tractor having a coupling device for trailers or semi-trailers is a road tractor. The amendment in the French text is for alignment purposes only.

Heading 87.02

- 10. Following several sessions of both the Harmonized System Committee and the Review Sub-Committee, it was determined that the term "persons" could not be limited by to "adults of normal size" or by any other criteria. The amendment reflects this position.
- 11. In connection with this proposal from Canada, it should be pointed out that the term "persons" is also associated with heading 87.03. Therefore, a similar proposal has also been made for the Explanatory Note to that heading.

Heading 87.03

12. Following several sessions of both the Harmonized System Committee and the Review Sub-Committee, it was determined that the term "persons" could not be limited by to "adults of normal size" or by any other criteria. The amendment reflects this position.

- 13. The term "saloon car" is a rather obsolete term used to describe a motor car with a "coach-built covered" (enclosed) body. Often it has been associated with motor cars that have luxury interiors and appointments. One possible option would be to add the term "limousine" that is currently used to describe such vehicles.
- 14. The term "hackney carriage" is used to describe a motor car for hire and is almost exclusively used in the United Kingdom. In most other English-speaking countries the term "taxi" is used to refer to a motor car for hire. Therefore, it is suggested that a reference to "taxis" should be added.

- 15. In North America and other areas, the term "trucks" is used in place of "lorries".

 Therefore, it is suggested that a reference to "trucks" should be added where appropriate.
- 16. Although the Secretariat has no objection to the proposal made by Canada, the attention of the Sub-Committee is drawn to the following two points:
 - (a) This proposal also requires certain amendments to the Explanatory Notes to heading 87.05. They are included in the Annex to this document.
 - (b) More importantly, while the term "lorries" is presently used in the text of heading 87.05, the term "trucks" is used in the text of heading 87.09.
- 17. The Sub-Committee is requested to give its views as to whether there is a difference between the terms "lorries" and "trucks" in the context of the headings referred in paragraph 16 (b) above. If they are used interchangeably, consideration should be given to possible amendments to the legal texts in this regard for the year 2007.

Heading 87.06

- 18. In North America and other areas, the term "unibody construction" is used in place of "combined chassis-body framework". Therefore, it is suggested that a reference to "unibody construction" should be added.
- 19. In North America and other areas, the term "hoods" is used in place of "bonnets". Therefore, it is suggested that a reference to "hoods" should be added.
- 20. In North America and other areas, the term "windshields" is used in place of "windscreens". Therefore, it is suggested that a reference to "windshields" should be added.

Heading 87.07

- 21. In North America and other areas, the term "trucks" is used in place of "lorries". Therefore, it is suggested that a reference to "trucks" should be added.
- 22. In North America and other areas, the term "trunks" is used in place of "boots". Therefore, it is suggested that a reference to "trunks" should be added.

Heading 87.08

23. In North America and other areas, the term "hoods" is used in place of "bonnets". Therefore, it is suggested that a reference to hoods should be added.

- 24. In North America and other areas, the term "fenders" is used in place of "wings". Therefore, it is suggested that a reference to fenders should be added.
- 25. In North America and other areas, the term "transmissions" is used in place of "gearboxes". Therefore, it is suggested that a reference to "transmissions" should be added.
- 26. In connection with the addition of the term ("transmissions") after "gear boxes", the Secretariat would like to note that while Item (D) of the Explanatory Note to heading 87.08 covers "gear boxes", Item (F) thereof covers "other transmission parts and components. From these provisions, it seems that the scope of the term "transmission" includes both "gear boxes" and certain other parts and components. Therefore, the proposed amendment was placed in square brackets in the Annex for discussion by the Sub-Committee.

27. In North America and other areas, the term "transmissions" is used in place of "gearboxes". Therefore, it is suggested that a reference to "transmissions" should be added (see also the previous paragraph in this connection).

Heading 87.10

- 28. Following World War II, the distinction between "heavy and medium tanks" disappeared and was replaced by the term "main battle tank". Light tanks generally refer to smaller and more lightly armoured tanks used primarily in a reconnaissance role along with armoured cars and armoured personnel carriers.
- 29. During World War II, it was determined that tank designs incorporating two or more traversing turrets were impractical. As a result designs for tanks and other armoured vehicles only feature "a single traversing turret".
- 30. Armoured personnel carriers or infantry fighting vehicles are either tracked or wheeled vehicles that are designed to transport soldiers to the battlefield and support them with a range of weaponry including heavy machine guns, guns, and anti rockets. They differ significantly in design from "armoured cars". Therefore, it is suggested that a reference to "armoured personnel carriers" should be added.
- 31. During World War II, "half-track" vehicles were widely used. However, by the late 1960's, half-track vehicles became obsolete and were replaced by more efficiently designed tracked and road-wheel type vehicles. Accordingly, the reference to "half-track" should be deleted.

Heading 87.12

- 32. The term "unicycle" enjoys equal if not more popular use than "monocycle". Therefore, the addition of this reference would be appropriate.
- 33. "Rail-cycles" have been replaced by small track inspection motor vehicles that are designed either solely for use on rails (Chapter 86) or for both road and rail use (heading 87.03 or 87.05). Rail-cycles or railbikes currently refers to a new type of recreational activity that involves bicycle touring on abandoned railway lines. It involves attaching an outrigger-guide wheel accessory kit to a standard bicycle. In some cases, the front wheel is removed. For regular road use, the outrigger-guide wheel accessory kit is removed. Accordingly, there does not appear to be any vehicle that is currently designed to be a rail-cycle. Therefore, consideration should be given to dropping this reference entirely.

- 34. The terms such as "wheelchairs" and "mobility scooters" are two popular types of vehicles, which are specially designed for use by people with temporary or permanent disabilities. It would be useful, as additional references, to include these types of vehicles in the Explanatory Note. In connection with this proposal from Canada, the Secretariat should point out that the Harmonized System Committee at its 26th Session classified certain motorised scooters in heading 87.03 (see Annex H/7 to Doc. NC0340E2, HSC/26 Report, and Classification Opinion 8703.10/1).
- 35. However, the motorised scooters already classified by the Committee were considered to be three-or four-wheeled normal vehicles for the transport of persons. The "mobility scooters" proposed by Canada should be those specially designed for the transport of persons with disabilities.
- 36. In current, the term "disabled persons" is not consistent with general internationally recognised terminology. The term "persons with disabilities" is now used and has been adopted by the United Nations. This change should also be reflected in the Explanatory Note. The change will also bring the French text into alignment with the English text.
- 37. As regards this Canadian proposal, the Sub-Committee is reminded that the term "disabled persons" in the text of heading 87.13 replaced the term "invalids" in the course of the 2002 amendments to the Nomenclature. The same term was consequently used in the Explanatory Notes as well. If the Sub-Committee agrees with the term proposed by Canada, it would be appropriate to consider whether the present term "disabled persons" in the heading text should also be replaced by "persons with disabilities".

Heading 87.14

- 38. Based on industry consultations, "disc brakes" are used extensively on motorcycles and should be referenced in this Explanatory Note. Therefore, the addition of this reference would be appropriate.
- 39. The term "seat" enjoys equal if not more popular use than "saddle" in the case of both motorcycles and bicycles. In the North American market, the terms are used interchangeably. Therefore, the addition of this reference would be appropriate.
- 40. The term "seat-posts" enjoys equal if not more popular use than "saddle-pillars" in the case of both motorcycles and bicycles. In the North American market the terms are used interchangeably. Therefore, the addition of this reference would be appropriate.
- 41. The term "seat-covers" enjoys equal if not more popular use than "saddle-covers" in the case of both motorcycles and bicycles. In the North American market the terms are used interchangeably. Therefore, the addition of this reference would be appropriate.
- 42. The term "fenders" enjoys equal if not more popular use than "mudguards" in the case of both motorcycles and bicycles. In the North American market the terms are used interchangeably. Therefore, the addition of this reference would be appropriate.
- 43. The term "windshields" enjoys equal if not more popular use than "windscreens" in the case of both motorcycles and bicycles. In the North American market the terms are used interchangeably. Therefore, the addition of this reference would be appropriate.

44. "Strollers" are small light-weight baby carriages which have been widely used for over 25 years. Therefore, it is appropriate to also make a reference to them in this Explanatory Note.

Heading 87.16

- 45. The term "trailers of the caravan type" is not universally used among English speaking countries, especially in North America. The addition of a reference to "travel trailers" would provide for a more inclusive scope.
- 46. The "utility" trailer type is used to describe a very wide range of trailers designed for transporting goods. These trailers are generally of the van style and are used for domestic, industrial and agricultural applications. Accordingly, this term should be added to this note.
- 47. Single and double deck trailers are used to transport "a wide variety of animals" such as swine, sheep and goats as well as cattle. Accordingly, the term "livestock" would be a more encompassing term that would describe such trailers. It will also bring the English text into alignment with the French text.
- 48. The term "intermodal" has been used for over 30 years in the North America and other regions to describe trailers that are designed for both road and rail transport. Accordingly, this term should be added to this note.
- 49. The term "logging" has generally being associated with trailers that are designed to transport logs and other types of forestry products. Accordingly, this term should be added to this note.
- 50. The term "ammunition limbers" refers to a type of trailer-like vehicle that was used with towed artillery pieces up to and including World War II. After World War II, ammunition limbers were rapidly replaced with specialised trucks and other types of motor vehicles that could transport much larger amounts of ammunition and are no longer used. Accordingly, this is a redundant reference and should be deleted.
- 51. The term "multi-purpose hand carts" is now used to describe a wide range of vehicles covered in this note. Accordingly, it should be included to maintain the scope of this note.
- 52. The term "food carts" has been used for over thirty years in the North America and other regions to describe hand-propelled vehicles that are designed for the transport and distribution of food. Accordingly, this term should be added to this note.
- 53. Currently, many types of small wheeled-container, that do not have a chassis, are now manufactured from plastics and other materials as well as basketwork or metal. Therefore, it is appropriate to also make a reference to wheeled containers made from these materials in this Explanatory Note. It will also bring the English text into alignment with the French text.
- 54. The term "ceremonial" is used interchangeably with the term "state" and is becoming the more widely used term. Accordingly, this term should be added to this note.
- 55. The term "multi-purpose sleighs" refers to wide variety animal drawn vehicles used for transportation over snow. Although the terms are used interchangeably, generally such sleighs are not as sturdily built as sledges. The addition of this term will complete the apparent scope of this note. Accordingly, this term should be added to the note.

III. CONCLUSION

56. The Sub-Committee is invited to examine the proposed amendments set out in the Annex hereto taking account of the above comments.

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